

For Immediate Release

3 April 2006

**Remarks by Ambassador John J. Danilovich
Signing Ceremony for the Millennium Challenge Corporation
Threshold Program with Albania**

Thank you very much Ambassador Ries

Your Excellency Prime Minister Berisha, Minister Bode, distinguished guests and members of the press.

It is a great honor and a pleasure to be here in Tirana today for this momentous occasion. The Agreement that we have signed today between the United States and the Government of Albania will provide nearly \$14 million in Millennium Challenge Threshold assistance to help Albania initiate a multi-faceted attack on corruption and improve the environment for business.

Corruption threatens democracy, stifles growth, and prevents vital public services from reaching those who need it most. It also weakens foreign and private investment and undercuts the efforts of those laboring to promote a transparent, level playing field for their own development.

So, I congratulate the people and the Government of Albania, first for qualifying for the Threshold Program, and also for putting together an integrated and results-oriented plan that addresses the critical and difficult issue of corruption. This plan is a manifestation of Albania's dedication to moving forward and embracing genuine development, growth, and poverty reduction.

By signing this Threshold Agreement today, Albania embarks on a very ambitious journey, aided by the MCC. Albania's Program will target corruption on a systemic level, and will include dramatic reforms in the areas of tax administration, public procurement, and business registration.

Making headway against corruption cannot be limited to the efforts of this program alone: it must be coupled with broader and deeper reforms by the government, *taken on its own*, to promote transparency across a range of public and private institutions.

Successful implementation of this program and these broader reforms will bring many benefits for the Albanian people, including:

- A significant reduction in the potential for bribery in government contracts,
- A substantial reduction in the possibility for bribery in tax collection and business registration,
- And simplified and less costly registration for new businesses.

The Threshold Agreement is a two-year effort, but the fight must be ongoing. Albania has identified a number of significant areas for interim steps that, if taken, will not only make inroads in addressing corruption, they will *institutionalize* the fight against corruption.

I would like to thank those who have been so deeply involved in negotiating this Agreement, including those from both the present and previous government.

I offer congratulations to Prime Minister Berisha for bringing all these efforts to fruition.

I would also like to thank:

- Ambassador Ries and her staff in Tirana,
- USAID Albania Mission Director Harry Birnholz and his staff,
- And Rodney Bent and our colleagues at MCC – who have all worked so very hard to bring us to this day.

Mr. Prime Minister, your leadership has made clear your commitment to moving your great country in a very promising direction. I am very hopeful that, under your stewardship, this Program – combined with the broader efforts of your government -- will bring Albania closer to achieving eligibility for the Millennium Challenge Account, and more importantly, it will inspire greater confidence of the Albanian people in the institutions that serve them.

Thank you.

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